with the raising of loan by the Government of India at 6½ per cent. interest, foreign capital had ceased to flow into the State. Money should therefore be found from the State itself. The agriculturists were poor and money would be available for investment only with officers and those engaged in the professions, such as vakils. The member therefore held that if the salaries of officers be reduced even this source of help would be denied to the traders.

The export trade had practically stopped. There was no demand from outside for such articles as rubber, tea, *copra* and pepper nor could they be utilised locally. It was futile to raise products for which there was no demand. Attention should therefore be diverted for raising useful and profitable products. Travancore depended largely on imported rice and paddy from Burma. As these could be had in plenty, the price of local paddy had gone down and consequently, local paddy cultivators were put to much loss. They could not even pay the *kist* due. The only remedy for this state of affairs was to find out ways and means for producing sufficient quantity of paddy in the State itself for meeting local demand. Till then, arrangements should be made for having direct trade with foreign countries through the ports in the State.

The Government should make the necessary arrangements for investing all money available in temples, churches, etc., on trade and industry by granting loans to traders and industrialists on sufficient security and subject to suitable conditions. In order to bring the above suggestions into effect and develop commerce and industry in the State, a board or department of trade should be established.

DEWAN'S REPLY: Mr. Chettiyar, your suggestions will all be carefully considered.

The question of having a commercial section attached to the Department of Industries is important and the Director will report on that.

Your other suggestions will be considered along with the general question of economic depression when the Committee's report is taken up for consideration.

39. Needs of the traders of Trivandrum.

MR P. RAMAN PILLAI (*Trading Classes, Trivandrum*) said that additional facilities should be afforded to the merchants for unloading cargo at the Valiatura pier by the construction of at least three more godowns, and the provision of electric lights and electric lifts. The port limits should be enclosed either by masonry walls or by barbed wire fencing. The low portion on the southern side of the Port Office should be levelled up in order to prevent collection of rain water and consequent damage to goods.

The assessment of the income of merchants was made on no fixed basis or principle. The examination of the accounts should be done in the shops of the merchants themselves. The merchants were experiencing great hardships in taking their account books to the Income Tax

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offices and waiting there for purposes of examination. The accounts themselves were not properly examined and understood. Very often the assessment was made on hearsay evidence and guess work. Orders should therefore be issued that assessment should be made only after thoroughly examining the accounts.

The rates of profession tax were high. The tax recovered from artisans such as tinkers should be abolished. Similarly, the licence fees imposed by the Municipality on articles required for everyday life such as, medicines, oil, flour, timber, etc, should be abolished especially when no such fee was imposed on liquor.

Stringent instructions should be issued for the early return of the account books produced in courts by merchants. Much delay was now caused in returning the books.

The railway should be extended from Tampanur to Nagercoil as the extension would help the development of trade and bring in additional revenue to the State.

DEWAN'S REPLY : Mr. Raman Pillai, the question of making improvements to the pier and providing additional facilities at the port is being considered. Government have already sanctioned an estimate for Rs. 8,900 for putting up an additional godown. The question of installing electric lights is engaging the attention of the Chief Engineer.

The assessment of incometax is made difficult if accounts are not properly kept by the assessees. If accounts are properly kept, the Collector can examine them easily, and if the assessee is not satisfied with the assessment, remedies are open to him by way of appeals and revision petitions.

The profession tax in Trivandrum, I understand, compares very favourably with that in the neighbouring British Indian Districts. The Municipal Council must have money for its activities.

License fees are charged on certain articles, because they are stored for sale and there is no tax on them.

The High Court is considering the question of returning without any delay the account books produced in courts.

The estimate for the Trivandrum-Nagercoil railway line has been prepared and is now being considered by Government.

40. Motor industry in the State.

MR. T. K. KITTAN (*Municipal Council, Kottayam*) said that the importance of motor traffic in the State could not be overrated. It served all the purposes of railway traffic and in some respects to a larger extent than railway. The Government also were getting an appreciable amount of revenue from this source under toll, testing fees for vehicles, income tax, registration and license fees, etc. Those engaged in motor industry were making large profits at its earlier stages but latterly, they were incurring heavy losses. Unless the

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